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BUDGET VIEWS AND ESTIMATES FOR FISCAL YEAR 1984

A REPORT

SUBMITTED TO THE

BUDGET COMMITTEE

(Pursuant to Section 301(c) of Public Law 93-344)

PREPARED BY THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

together with

ADDITIONAL VIEWS

MARCH 15, 1983

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EXCERPTS FROM PUBLIC LAW 93-344

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TITLE III—CONGRESSIONAL BUDGET PROCESS

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ADOPTION OF FIRST CONCURRENT RESOLUTION

SEC. 301. (a) ACTION TO BE COMPLETED BY MAY 15.—On or before May 15 of each year, the Congress shall complete action on the first concurrent resolution on the budget for the fiscal year beginning on October 1 of such year. The concurrent resolution shall set forth—

(1) the appropriate level of total budget outlays and of total new budget authority;

(2) an estimate of budget outlays and an appropriate level of new budget authority for each major functional category, for contingencies, and for undistributed intragovernmental transactions, based on allocations of the appropriate level of total budget outlays and of total new budget authority;

(3) the amount, if any, of the surplus or the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors;

(4) the recommended level of Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;

(5) the appropriate level of the public debt, and the amount, if any, by which the statutory limit on the public debt should be increased or decreased by bills and resolutions to be reported by the appropriate committees; and

(6) such other matters relating to the budget as may be appropriate to carry out the purposes of this Act.

(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The first concurrent resolution on the budget may also require—

(1) a procedure under which all or certain bills and resolutions providing new budget authority or providing new spending authority described in section 401(c)(2)(C) for such fiscal year shall not be enrolled until the concurrent resolution required to be reported under section 310(a) has been agreed to, and, if a reconciliation bill or reconciliation resolution, or both, are required to be reported under section 301(c), until Congress has completed action on that bill or resolution, or both; and

(2) any other procedure which is considered appropriate to carry out the purposes of this Act.

Not later than the close of the Ninety-fifth Congress, the Committee on the Budget of each House shall report to its House on the implementation of procedures described in this subsection.

(c) VIEWS AND ESTIMATES OF OTHER COMMITTEES.—On or before March 15 of each year, each standing committee of the House of Representatives shall submit to the Committee on the Budget of the House, each standing committee of the Senate shall submit to the Committee on the Budget of the Senate, and the Joint Economic Committee and Joint Committee on Internal Revenue Taxation shall submit to the Committees on the Budget of both Houses—

(1) its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within the respective jurisdiction or functions of such committee or joint committee; and

(2) except in the case of such joint committees, the estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within the jurisdiction of such committee which such committee intends to be effective during the fiscal year beginning on October 1 of such year.

The Joint Economic Committee shall also submit to the Committees on the Budget of both Houses, its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House or Senate may submit to the Committee on the Budget of its House, and any other joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within its jurisdiction or functions.

* * * * * * *

LETTER OF TRANSMITTAL

UNITED STATES SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., March 1, 1983.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 301(c) of the Congressional Budget Act of 1974 and the action of the Committee by a unanimous vote at a March 1, 1983, meeting, the Committee on Veterans' Affairs is submitting its report to the Committee on the Budget. This report consists of views and estimates with regard to Function 700 (Veterans' Benefits and Services) and certain programs in Function 500 (Education, Training, Employment and Social Services) for the Fiscal Year 1984 Federal Budget. In submitting this report, we wish to make certain observations and emphasize some specific items.

Having carefully reviewed the Administration's fiscal year 1984 budget request for Function 700, submitted on January 31, 1983, the Veterans' Affairs Committee recommends to the Budget Committee that, in the Congressional budget for fiscal year 1984, the Function 700 totals include $25.999 billion in budget authority and $25.619 billion in outlays for programs within the jurisdiction of the Veterans' Affairs Committee. These figures include the amounts requested in the President's fiscal year 1984 budget for those programs—as reestimated by the Congressional Budget Office (CBO) with respect to the so-called entitlement (subfunctions 701 and 702) and receipts accounts—plus $150 million in both budget authority and outlays to allow consideration of certain education and employment initiatives described in the report and a $2 million addition to correct a technical problem discussed in our report with respect to the Veterans' Administration pension program. According to the CBO reestimates, the Administration's policies with respect to those accounts would require $250 million in budget authority and $235 million in outlays less than the amounts proposed in the President's fiscal year 1984 budget.

In so recommending, the Committee accepts, subject to the contingency expressed below, the Administration's proposal to delay by 6 months the cost-of-living increase in Veterans' Administration compensation benefits. CBO has estimated that this proposal would save $202.2 million in budget authority and $200.4 million in outlays in fiscal year 1984. The Committee also accepts a similar proposal for a delay of 6 months in the payment of cost-of-living increases for pension recipients. CBO has estimated that this propos-

al would reduce fiscal year 1984 budget authority by $88.6 million and outlays by $24.9 million in fiscal year 1983 and $54.2 million in fiscal year 1984. The Committee notes, however, that its acceptance of these two parallel proposals is contingent upon enactment of similar postponements with respect to Social Security Act-indexed cost-of-living increases for other Federal income-maintenance programs.

Included in the fiscal year 1984 President's budget (pp. 5–132) is a proposal to scale down, beginning in April 1985, the percentage of compensation cost-of-living increases for service-connected disabled veterans whose disabilities are rated at 90-percent or less. The Committee rejects this proposal as discriminatory against disabled veterans and inconsistent with the Committee's long-held views on the high priority of programs for service-connected disabled veterans. CBO's estimate of the savings to be achieved by such an approach is $37.9 million in budget authority and $31.9 million in outlays in fiscal year 1985, and $115.5 million in budget authority and $109.1 million in outlays in fiscal year 1986. Since these proposed savings are not reflected in the fiscal year 1984 budget request, the Committee does not recommend any action as a result of its rejection of the proposal.

Regarding the fiscal year 1984 compensation cost-of-living increase, the Committee notes that the recommended increase is derived from the scheduled June 1983 Social Security Act increase and that the percentage amount of that increase is estimated by the Administration at 5.1 percent and by CBO at 4.1 percent. For purposes of this report, the Committee accepts the CBO estimate. The CBO-estimated cost of the 4.1-percent COLA for the full fiscal year is $403.5 million in budget authority and $371.3 million in outlays, with savings of $202.2 million in budget authority and $200.4 million in outlays if a 4.1-percent COLA is delayed 6 months to April 1, 1984.

The President's budget contains additional proposed legislative savings reestimated by CBO at $20.1 million. The Committee recommends that savings in the fiscal year 1984 budget of at least this amount be achieved through presently unspecified measures and that savings consistent with CBO's projected outyear savings levels associated with the Administration's legislative proposals be similarly achieved. Certain cost-savings proposals under consideration are discussed in section III of the accompanying report.

With regard to the Function 500 accounts, the Committee is in agreement with the President's fiscal year 1984 request. The veterans' employment programs funded under those accounts are designed specifically to assist veterans in finding suitable employment in order that they may become productive participants in the society they fought to maintain.

In response to the request, stated in the February 15, 1983, letter from you and the Ranking Minority Member of the Budget Committee, for information pertaining to programs under the jurisdiction of this Committee for the four succeeding fiscal years, this Committee has directed its majority and minority staffs to develop and prepare an analysis of the future costs of veterans' programs during those years based on the Committee's recommendations for fiscal year 1984. That staff document is attached.

Also attached are the additional views of Chairman Simpson and those of Senators Cranston, Randolph, Matsunaga, DeConcini, and Mitchell.

The Committee wishes to emphasize that it has arrived at its recommendations after a thorough review of veterans' programs and extensive efforts to identify areas in which savings and economies could be achieved consistent with the Committee's continuing commitment to meet its obligations to the Nation's veterans and their survivors, and particularly to service-connected disabled veterans and veterans of wartime service.

These views and estimates reflect the Committee's best judgment as of this date. If we or the Committee staff may be of future assistance in your consideration of this report, please feel free to call upon us.

Sincerely,

ALAN K. SIMPSON,
Chairman.

ALAN CRANSTON,
Ranking Minority Member.

Enclosure.

FUNCTION 700—VETERANS' BENEFITS AND SERVICES, FISCAL YEAR 1984

Table 1.—Budget Authority

[In thousands of dollars]

Subfunction and program	Committee recommendations	Difference from President's request
701—Income security for veterans:		
Service-connected compensation	9,842,200	[1] −13,800
Administration-proposed legislation:		
Cost-of-living increase (effective April 1, 1984) (5.1 percent in President's budget; 4.1 percent estimated by CBO)	201,300	[1] −36,700
Non-service-connected pension	3,768,300	[1] −182,100
Administration-proposed legislation: Delay June 1983 cost-of-living increase by 6 months	−88,600	[1] +24,700
Committee-proposed legislation: Delay June 1 effective date of rounding provision for improved pension	2,400	+2,400
Burial benefits and miscellaneous assistance	138,500	[1] −10,400
Insurance programs:		
Veterans' insurance and indemnities	7,400	.....
National Service Life Insurance fund	1,209,400	.....
U.S. Government life insurance fund	22,600	.....
NSLI and USGLI receipts	−432,638	.....
Subtotal, income security for veterans	14,670,862	−215,900
702—Veterans' education, training and rehabilitation:		
Readjustment benefits	1,315,800	[1] −75,700
Administration-proposed legislation:		
Eliminate correspondence training benefits	.....	+4,900
Eliminate advance payment of educational assistance allowances	.....	+15,600
Committee-proposed legislation: Education and employment initiatives	150,000	+150,000
Post-Vietnam era veterans' education account	203,400	.....
Post-Vietnam era veterans' education receipts	−203,400	.....
Subtotal, Veterans' Education, training and rehabilitation	1,465,800	+94,800
703—Hospital and medical care for veterans:		
Medical care	8,078,526	.....

FUNCTION 700—VETERANS' BENEFITS AND SERVICES, FISCAL YEAR 1984—Continued

[In thousands of dollars]

Subfunction and program	Committee recommendations	Difference from President's request
Medical and prosthetic research	162,094	+5,769
Medical administration and miscellaneous operating expenses	66,552	
Construction	862,501	−5,769
Grants for construction of State extended care facilities	18,000	
Grants to the Republic of the Philippines	500	
Subtotal, hospital and medical care for veterans	9,188,173	
704—Veterans' housing		
705—Other veterans' benefits and services:		
General operating expenses	719,981	+793
Grants for construction of State veterans' cemeteries	3,000	
General post fund	8,700	
Other independent agencies: American Battle Monuments Commission	10,873	
Subtotal, other veterans' benefits and services	742,554	+793
Deduction for offsetting receipts	[2] −48,240	[1] +45,150
Deduction for unspecified legislative savings	−20,093	−20,093
Total, veterans' benefits and services	25,998,856	−95,250

[1] This difference is attributable to the Committee's acceptance of the Congressional Budget Office estimate for this account or item.
[2] Legislation imposing a 0.5 percent loan processing fee, enacted in the Omnibus Reconciliation Act of 1982, Public Law 97-253, will produce $45 million in receipts in fiscal year 1984, according to CBO estimates.

Table 2.—Outlays

[In thousands of dollars]

Subfunction and program	Committee recommendations	Difference from President's request
701—Income security for veterans:		
Service-connected compensation	9,849,200	[1] −5,800
Administration-proposed legislation:		
Cost-of-living increase (effective April 1, 1984) (5.1 percent in President's budget; 4.1 percent estimated by CBO)	170,900	[1] −27,400
Non-service-connected pension	3,774,500	[1] −165,900
Administration-proposed legislation: Delay June 1983 cost-of-living increase by 6 months	−54,200	[1] +13,600
Committee-proposed legislation: June 1 effective date of rounding provision for improved pension	1,600	+1,600
Burial benefits and miscellaneous assistance	138,500	[1] −9,800
Insurance programs:		
Veterans' insurance and indemnities	7,400	
Service disabled veterans' insurance fund	−400	
Veterans Reopened Insurance fund	−16,700	
Servicemen's group life insurance	−19,200	
National Service Life Insurance fund	986,100	
U.S. Government life insurance fund	53,800	
Veterans' Special Life Insurance fund	−59,400	
NSLI and USGLI receipts	−432,638	
Subtotal, income security for veterans	14,399,462	−193,700
702—Veterans' education, training and rehabilitation:		
Readjustment benefits	1,327,700	[1] −83,800
Administration-proposed legislation:		
Eliminate correspondence training benefits		+4,900
Eliminate advance payment of educational assistance allowances		+15,600

Table 2.—Outlays—Continued

[In thousands of dollars]

Subfunction and program	Committee recommendations	Difference from President's request
Committee-proposed legislation: Education and employment initiatives	150,000	+150,000
Education loan fund	−10,000	
Post-Vietnam era veterans' education account	151,400	
Post-Vietnam era veterans' education receipts	−203,400	
Vocational rehabilitation revolving fund	10	
Subtotal, veterans' education, training and rehabilitation	1,415,710	+86,700
703—Hospital and medical care for veterans:		
Medical care	7,974,690	
Medical and prosthetic research	158,894	+5,769
Medical administration and miscellaneous operating expenses	68,652	
Construction	667,905	−5,769
Grants for construction of State extended care facilities	14,772	
Grants to the Republic of the Philippines	500	
Assistance for health manpower training institutions	8,000	
Special therapeutic and rehabilitation activities fund	−90	
Subtotal, hospital and medical care for veterans	8,893,323	
704—Veterans' housing:		
Loan guaranty revolving fund	260,714	
Direct loan revolving fund	−24,567	
Subtotal, veterans' housing	236,147	
705—Other veterans' benefits and services:		
General operating expenses	720,543	+793
Grants for construction of State veterans' cemeteries	4,753	
Canteen service revolving fund	−628	
General post fund	8,000	
Other independent agencies: American Battle Monuments Commission	10,649	
Subtotal, other veterans' benefits and services	743,317	+793
Deduction for offsetting receipts	[2] −48,240	+45,150
Deduction for unspecified legislative savings	−20,093	−20,093
Total, veterans' benefits and services	25,619,426	−81,150

[1] This difference is attributable to the Committee's acceptance of the Congressional Budget Office estimate for this account or item.
[2] Legislation imposing a 0.5 percent loan processing fee, enacted in the Omnibus Reconciliation Act of 1982, Public Law 97-253, will produce $45 million in receipts in fiscal year 1984, according to CBO estimates.

BUDGET VIEWS AND ESTIMATES FOR FISCAL YEAR 1984

I. Overview

During this century, our Nation has been involved in two world wars, three major conflicts, and a number of incidents in which United States military personnel have been exposed to hostile fire. In addition, the realities of international affairs since the end of World War II have required the Nation to maintain a high state of military preparedness to defend our territorial integrity and our national interests abroad. During such times of conflict and tension, millions of Americans have served in our Armed Forces.

There are 28.5 million veterans of service in the Nation's Armed Forces, of whom approximately 24 million are veterans of wartime service. In this century, more than a million have died in service, and additional thousands have died from service-connected causes after leaving active duty. There are approximately 347,500 survivors of those who died in service or from service-connected causes, and there are some 2,264,750 living veterans with service-connected disabilities, of whom more than 138,000 are totally disabled.

In recognition of the sacrifices made and hardships incurred by our Nation's veterans, and of their invaluable service to our national defense and security, the major programs under the jurisdiction of the Committee on Veterans' Affairs serve a wide range of purposes. Those purposes include compensating those who have suffered injury or disease in the line of duty for loss of earning capacity, providing them with the best possible health-care and rehabilitation services, and helping to meet the financial, education, training, and certain other essential needs of the surviving dependents of those who died in service or as a result of service-connected causes. Readjustment assistance—primarily educational benefits under the GI Bill and employment assistance—is provided to veterans of wartime service for the purposes of compensating them for losses of educational and employment opportunities during their active-duty service and helping them make a successful, productive readjustment to civilian life. In addition, the VA pension program provides income assistance to needy, non-service-connected disabled and elderly wartime veterans and the needy survivors of wartime veterans for the purpose of affording them a reasonable measure of security so they can live their lives in dignity.

In order to meet the non-service-connected health-care needs of poor and elderly veterans and help assure that the VA's nationwide system of health-care facilities operates at workload levels necessary to maintain proficiency and cost-effectiveness, certain health-care eligibility is generally provided veterans who do not have service-connected disabilities.

Thus, in general terms, veterans' programs serve to express, in tangible and constructive ways, the debt which the Nation owes to

those whose service has kept it strong, free, and safe from invasion during a century in which powerful military forces have often threatened the security of our people. In this Committee's view, it is essential that these programs be accorded the same high priority as that attached to the national needs which our veterans have met, and that this priority continue undiminished during times of peace secured through the service and sacrifices of those veterans.

At a time when the national government faces many difficult choices among various competing and legitimate demands upon its resources, this Committee recognizes the necessity for close scrutiny of all parts of the Federal budget, and has approved substantial legislative savings in the VA budget for fiscal year 1984, in an effort to shoulder our fair share of Congressional efforts to bring under control the ever-increasing Federal deficit now confronting this Nation. The Committee has closely examined each component of the programs under its jurisdiction in order to make certain that its recommendations are consistent with the obligation to sustain essential programs and with the need for budgetary restraint.

To provide adequate funds for these programs, the Committee recommends $25.999 billion in budget authority and $25.626 billion in outlays for fiscal year 1984 in Function 700 (Veterans' Benefits and Services). These figures—incorporating Congressional Budget Office reestimates for all VA accounts other than so-called appropriations accounts (subfunctions 703 and 705)—represent a substantial increase over the fiscal year 1983 budget and are necessary to ensure the continuation and quality of the many essential programs undertaken by the Veterans' Administration.

The Committee has agreed to budget amounts, except as noted below, consistent with the programmatic levels proposed by the Administration for fiscal year 1984. The Committee also agrees, subject to the contingency expressed below, to the achievement of fiscal year 1984 legislative cost savings equal to the total amount that would be achieved in fiscal year 1984 through the enactment of the President's legislative cost-savings proposals as reestimated by CBO—$89 million in budget authority and $54 million in outlays (in addition to a reduction of $25 million in outlays for fiscal year 1983) through a 6-month delay in the June 1983 pension cost-of-living increase, and $20.1 million in both budget authority and outlays in other legislative cost-savings. The Committee's agreement to these pension savings—as well as its agreement to provide for a service-connected disability compensation cost-of-living increase with an effective date 6 months later than the effective date (October 1, 1983) Congress would, under current Committee policy, enact in connection with the fiscal year 1984 compensation increase—is, as discussed below, expressly contingent upon Congressional agreement to 6-month delays in the June 1983 Social Security Act-indexed cost-of-living increases for other Federal income-maintenance programs. With respect to the goal of $20.1 million in other entitlement cost savings and related administrative savings, the Committee is not yet prepared, at this early stage, to identify the precise legislative savings it will recommend but wishes to leave its options open to accept or reject the Administration's proposals in whole or in part and to substitute other measures to save the same amount.

In addition, the Committee urges that $150 million in both budget authority and outlays be added above the President's budget request for the VA, in order to enable the Committee to consider certain education and job-training initiatives, as described in the discussion of mission two in part II, below, and that $2 million in both budget authority and outlays be added to provide for the correction of a technical problem in the VA's pension program, as discussed in part II. A. 2., below.

At the outset of this report are summary tables which indicate the Committee's recommendations for budget authority and outlays in Function 700. Following these tables, the Committee has provided its views and estimates which include comparisons of its recommendations with those of the President. Included in these views and estimates is a section concerning accounts over which the Committee has shared jurisdiction with other committees. Finally, there is appended to this report a staff analysis of projected Function 700 requirements for fiscal years 1985–1988, as requested by the Budget Committee.

II. Narrative Statement on Spending Requirements

A. Mission One: Income Security (Subfunction 701)

1. SERVICE-CONNECTED COMPENSATION PROGRAMS

(a) Purpose

The VA's disability compensation program provides monthly cash payments to veterans who, because of service-connected disability, have suffered impairments of earning capacity. The amount paid in individual instances is contingent upon the nature of the veteran's disability, or combination of disabilities, and the extent to which earning capacity is deemed to have been impaired. The VA expects that the number of veterans receiving this benefit in fiscal year 1984 will decrease by 2,250 from fiscal year 1983 levels—from 2,267,000 to 2,264,750.

Dependency and indemnity compensation (DIC) benefits are payable to the surviving spouse and children of a veteran whose death occurs during active duty or as a result of service-connected causes. This benefit is intended to compensate for the loss of family income, and individual benefits in the DIC program for surviving spouses are contingent upon the military pay grade of the person upon whose death the entitlement is predicated. DIC benefits are also payable to the needy surviving parents of a veteran whose death is service connected. Benefits, paid at DIC rates, are also provided for the surviving spouses and children of totally disabled veterans whose deaths are not service connected. The VA expects that the number of survivors receiving this benefit in fiscal year 1984 will decline by 1,500 from fiscal year 1983 levels—dropping from 349,000 to 347,500.

(b) Estimated fiscal year 1984 cost of programs as currently authorized

The Administration's fiscal year 1984 budget estimates for the service-connected compensation program at current benefit levels anticipate total requirements of $9.856 billion in budget authority and $9.855 billion in outlays. The Congressional Budget Office (CBO) estimates are $13.8 million in budget authority and $5.8 million less in outlays. The Committee accepts the CBO estimates.

(c) Program changes

(1) Administration proposals

Delayed cost-of-living increases.—The President has recommended legislation providing for a cost-of-living increase of 5.1 percent in disability compensation and DIC rates—the same percentage increase that the Administration predicts for the social security increase scheduled under current law to take effect June 1, 1983—effective April 1, 1984, 6 months later than it would have been under current congressional practice. The recommended rate-increase percentage is based on the economic assumptions in the President's budget. The proposed increase is estimated by the Administration to have a fiscal year 1984 cost of $238 million in budget authority and $238 million in outlays. CBO, which predicts a 4.1 percent social security increase, has reestimated the cost using a 4.1 percent increase instead of a 5.1 percent increase of $201 million in budget authority and $171 million in outlays in fiscal year 1984. The Committee accepts the CBO estimate.

Scaled down cost-of-living adjustments.—Also contained in the President's budget for fiscal year 1984 is a proposal to pay compensation cost-of-living increases in accordance with the following schedule, effective in April 1985:

Percent of rated disability	Percent of COLA to be provided
100	100
60–90	85
40–50	60
10–30	45

An estimate of the cost savings resulting from the proposal was not provided in the President's request. CBO's estimate of the savings is $37.9 million in budget authority and $31.9 million in outlays for fiscal year 1985, rising to $115.5 million in budget authority and $109.1 million in outlays in fiscal year 1986, totaling $599.6 million in both budget authority and outlays in the first 5 years, fiscal years 1985 through 1989.

(2) Committee proposals

Cost-of-living increases.—The Committee's policy has been to recommend annual adjustments in compensation and DIC rates in order to counter the effects of inflation on the purchasing power of the dollars paid to beneficiaries. It has been the Committee's policy that this cost increase be effective on the first day of the fiscal year

and that it be not less than the indexed cost-of-living adjustment that social security and VA pension beneficiaries receive by law, effective 4 months earlier.

In view of the bipartisan Social Security Commission's plan to achieve much needed cost savings in social security expenditures by delaying the effective date of the 1983 cost-of-living adjustment by 6 months, and the Administration's corollary proposal to delay cost-of-living adjustments for all other Federal entitlement programs, the Committee recommends, contingently, amounts allowed for the fiscal year 1984 compensation and DIC cost-of-living increases be limited to the amounts necessary for increases at the same percentage as the social security percentage increase and effective April 1, 1984, which is 6 months later than the effective date (October 1, 1983) Congress would ordinarily enact for those increases. As previously noted, according to CBO, that percentage increase will be 4.1 percent, and the cost of a 4.1 percent increase effective April 1, 1984, would be $201 million in budget authority and $171 million in outlays in fiscal year 1984.

Thus, the Committee emphasizes that unless the cost-of-living increases for other Social Security Act-indexed Federal income-maintenance programs are postponed for 6 months, the Committee's strong recommendation is that the Congressional budget provide for a fiscal year 1984 compensation and DIC increase effective October 1, 1983.

In addition, the Committee also wishes to emphasize that, if the June 1983, social security increase (proposed to be delayed until December 1983) is greater than 4.1 percent, the amount allowed in the Congressional budget for the fiscal year 1984 compensation and DIC cost-of-living increase should be adjusted to provide for an increase no less than that which is paid to social security beneficiaries.

The Committee reiterates its strong belief that benefits for service-connected disabled veterans are and should continue to be the highest priority mission of the VA. It is the Committee's view that only if social security and all other Federal income-maintenance programs experience a delay in cost-of-living adjustments would limit the amount provided for the compensation and DIC increases in the manner discussed above be appropriate.

Scaled down cost-of-living increases in fiscal year 1985 and subsequent years.—In keeping with the Committee's belief that the primary mission of the VA is to provide for the service-connected disabled veteran, the Committee rejects the proposal that compensation cost-of-living adjustments be scaled down beginning in April 1985. The Committee notes that, under this proposal, more than 2.1 million service-connected disabled veterans would receive cost-of-living percentage increases lower than the percentage increases provided social security, supplemental security income, VA pension, and DIC recipients. In the Committee's view, there is no rational basis for such discriminatory action to deprive the service-connected disabled veterans who would be affected, and their families, of full cost-of-living increases and, overtime, to reduce substantially the real value of their compensation benefits.

However, in light of its concerns regarding the growth of the Federal deficit, the Committee notes that, if a policy is developed to

address the deficit problem through fair and equitable modifications in the computation of annual cost-of-living increases for Federal income-maintenance programs, the Committee would give consideration to including compensation increases as an appropriate component of such across-the-board restraint.

2. NON-SERVICE-CONNECTED PENSION PROGRAMS

(a) Purpose

VA pension programs provide need-based income-security benefits to wartime veterans who are totally and permanently disabled from non-service-connected causes or age 65 or over and to the needy surviving spouses and children of wartime veterans.

The Administration is projecting a decrease of 28,000—from 803,000 to 775,000—in the number of veterans receiving pension in fiscal year 1984, and a decrease of 47,500—from 932,000 to 885,000—in the number of survivors.

Pensioners under the pension program established by Public Law 95-588, effective January 1, 1979, receive an automatic cost-of-living increase identical to the social security increase which is provided effective, under current law, on June 1 of each year. Under section 306 of Public Law 95-588, pensioners who were eligible for VA pension under laws in effect on December 31, 1978, and who are not eligible for or do not elect to receive pension under the program established by Public Law 95-588, receive benefits in amounts generally frozen at their December 31, 1978, benefit levels, but the eligibility limits on their incomes are increased annually by the same percentage and at the same time as the social security increase.

(b) Estimated fiscal year 1984 cost of programs as currently authorized

The Administration's fiscal year 1984 budget estimates for non-service-connected pensions under current law anticipate total requirements of $3.950 billion in budget authority and $3.940 billion in outlays. The CBO estimate is $182.1 million less in budget authority—$3.768 billion—and $165.9 million less—$3.775 billion—in outlays. The Committee accepts the CBO estimates.

(c) Program changes

(1) Administration proposal

The President's fiscal year 1984 budget request proposes to delay by 6 months, through the enactment of a 6-month delay in the June 1983, social security increase, estimated by the Administration to be 5.1 percent, the pension cost-of-living increase which under current law would become effective June 1, 1983. The reasons for the delay are the same as those explained in the compensation section. The Administration's estimate of the savings resulting from delaying the cost-of-living increase by 6 months, to December 1, 1984, is $113.3 million in fiscal year 1984 budget authority, and in terms of outlays, $45.5 million in fiscal year 1983 and $67.8 million in fiscal year 1984. CBO's estimate of the savings

is $88.6 million in fiscal year 1984 budget authority and outlays of $24.9 million in fiscal year 1983, plus $54.2 million in fiscal year 1984. The Committee accepts the latter, based on CBO's estimate of a 4.1-percent social security increase, as mentioned earlier.

(2) Committee proposals

The Committee accepts the Administration's proposal to delay by 6 months the VA pension cost-of-living increase through the enactment of legislation amending the Social Security Act to delay by 6 months the scheduled 1983 cost-of-living increase in social security benefits. Such a change in veterans' pension would be automatic, requiring no legislative action by this Committee.

The Committee does assume enactment, at the same time that legislation governing the delay of social security cost-of-living increases is enacted, of a provision relating to one aspect of VA pension law.

Pursuant to the reconciliation requirements imposed by last year's First Concurrent Budget Resolution, S. Con. Res. 92, the Committee reported out legislative language which provided that, in computing amounts of monthly non-service-connected VA pension payments, amounts of ninety-nine cents ($0.99) or less shall be "rounded down" to the next lower dollar. This provision, which was enacted as section 403 of the Omnibus Reconciliation Act of 1982, Public Law 97-253, was made effective "with respect to amounts payable for periods beginning after May 31, 1983," so as to coincide with the effective date, under section 3112 of title 38, United States Code, of the 1983 cost-of-living increase for the "improved" pension program enacted in the Veterans' and Survivors' Pension Improvement Act of 1978 (Public Law 95-588). Under that section, monthly amounts of such pension are increased at the same time and by the same percentage as title II social security (old age, survivors, and disability insurance) benefits are increased pursuant to section 215(i) of the Social Security Act, which currently provides that benefits shall be increased effective on June 1 of each year.

The Congressional intent underlying last year's rounding-down enactment was stated as follows in the joint explanatory statement accompanying the conference report on the Reconciliation Act (H. Rept. No. 97-759, at 83):

> The conferees stress that this provision will become effective at the same time as the cost-of-living adjustment in the rates for the "improved" pension program (enacted in Public Law 95-588), pursuant to section 3112 of title 38, scheduled for June 1, 1983, with the result that no such pensioner's monthly rate will be, by virtue of this provision, reduced below the amount paid for the previous month.

It is the Committee's view that, in order to preserve and give full force and effect to this Congressional intent, it is necessary that any social security cost-of-living increase delay that is enacted in S. 1 or other legislation be accompanied by a corresponding and simultaneous delay in the effective date of the rounding-down provision contained in section 403 of the 1982 Reconciliation Act. The

Committee assumes that this goal will be accomplished by the inclusion in S. 1 of language delaying the effective date of the rounding provision only with respect to "improved" pension, while retaining that provision's current effective date (June 1, 1983) for "old", nonindexed pension payable under section 306(a) of Public Law 95–588.

This delay in rounding down will, according to CBO, result in increased fiscal year 1983 costs of $0.8 million in outlays and in fiscal year 1984 of $2.4 million in budget authority and $1.6 million in outlays—a small fraction of the $89 million in savings that would result from the enactment of legislation delaying the 1983 pension cost-of-living increase.

3. INSURANCE PROGRAMS

(a) Purposes

Mission one accounts provide for several insurance programs meeting the income-security needs of veterans and their families. Seven separate programs have been established to meet the special needs of the Nation's service personnel and veterans for life insurance protection. The VA directly administers six of these programs and supervises the administration of a seventh. The programs are as follows:

Programs administered by the VA:

(1) U.S. Government life insurance (USGLI), for veterans of service during World War I;

(2) National Service Life Insurance (NSLI), for veterans of service during World War II;

(3) Veterans Special Life Insurance (VSLI), for veterans of service during the period 1951–1957;

(4) Service disabled veterans' insurance (SDVI), nonparticipating insurance at standard rates for service-connected disabled veterans;

(5) Veterans Reopened Insurance (VRI), for veterans who reapplied for insurance in 1965–1966 under certain reopened insurance programs;

(6) Veterans Insurance and Indemnities (VI&I), primarily for veterans of service during WWII; and

(7) Servicemen's Group Life Insurance (SGLI), for active duty and reserve service personnel and is supervised by the VA but administered by The Prudential Life Insurance Company.

With the exception of an annual appropriation for Veterans Insurance and Indemnities, administrative costs are generally covered by the VA's general operating expenses appropriation, or are completely self-supporting through premium receipts and interest income on investments.

(b) Budget estimates for programs as currently authorized

The Administration's fiscal year 1984 budget anticipates total requirements of $1,239.4 million in budget authority and $951.6 million in outlays, exclusive of NSLI and USGLI receipts ($432.6 million). CBO estimates are the same.

4. BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE

Mission 1 also contains burial benefits, and certain miscellaneous benefits, including special benefits to certain emergency and other officers' retirement pay, readjusted-service credits and certificates, and payment of certain insurance premiums. The Administration estimates that the fiscal year 1984 costs of burial benefits and miscellaneous assistance will be $148.9 million in budget authority and $148.3 million in outlays. The CBO's reestimate is $138.5 million in both budget authority and outlays. The Committee accepts the CBO estimate.

B. Mission Two: Veterans' Education, Training, and Rehabilitation (Subfunction 702)

1. PURPOSES

Readjustment benefits consist of various types of educational and vocational assistance for eligible veterans, dependents, and survivors. The main purposes of such assistance are to help the veteran readjust to civilian life in a productive capacity, to compensate the veteran for the loss of educational or vocational opportunities during the veteran's period of service to the Nation, and to provide vocational rehabilitation opportunities to service-connected disabled veterans whose ability to obtain employment has been impaired as a result of disability. In addition, GI Bill benefits have served as a very significant recruitment device for the armed services. The GI Bill also provides for educational assistance to the dependents of veterans with permanent and total disabilities and to the survivors of those whose deaths are service connected. The purposes of such assistance to these survivors and dependents are to compensate for the service-connected impairment of the veteran's ability to bear the cost of education of his or her family members and, in the case of the veteran's death, to assist the surviving spouse in attaining economic self-sufficiency.

Vocational rehabilitation opportunities for the purposes of restoring employability and employment lost by reason of disability are provided to service-connected disabled veterans under chapter 31 of title 38, United States Code. Under chapter 34 of title 38, educational assistance is provided to eligible veterans and servicepersons who entered the service prior to January 1, 1977, and are otherwise eligible, in order to assist them in their readjustment to civilian life following military service. Under chapter 32 of title 38, post-Vietnam-era veterans (those entering the service after December 31, 1976, and otherwise eligible) are entitled to participate in an educational assistance program wherein participants contribute from $25 to $100 of their monthly military pay; these contributions are then matched by the Department of Defense on a two-for-one basis and paid in equal monthly installments when the veteran enrolls in an approved course of education. Survivors and dependents of veterans whose deaths result from service-connected disabilities are eligible for educational assistance under chapter 35 of title 38.

During fiscal year 1982, more than $2.005 billion was expended under all VA educational and vocational assistance programs on approximately 915,000 participants. Of this total, approximately

90,000 were spouses, surviving spouses, or sons and daughters receiving benefits under chapter 35, and approximately 30,919 were veterans enrolled in vocational rehabilitation programs under chapter 31.

During fiscal year 1983, the President's budget estimates that $1.693 billion will be expended for current levels of training, education, and rehabilitation of approximately 814,850 servicepersons, veterans, dependents and survivors. This represents a decline of over 100,000 trainees, and of $298 million in estimated budget authority and $312 million in outlays from fiscal year 1982 levels.

2. ESTIMATED FISCAL YEAR 1984 COST OF PROGRAMS AS CURRENTLY AUTHORIZED

The Administration's enrollment estimates for fiscal year 1984 project continuing decline from estimated levels for fiscal year 1983 by 129,300 trainees.

The Administration's fiscal year 1984 budget estimates anticipate total requirements for education, training and rehabilitation programs as currently authorized of $1.392 billion in budget authority and $1.412 billion in outlays. The CBO estimates are $1.316 billion in budget authority and $1.328 billion in outlays. The Committee accepts the CBO estimates.

3. PROGRAM CHANGES

(a) Administration proposals

(1) *Termination of correspondence training.*—The President's budget reflects the Administration's recommendation that the entitlement to GI Bill benefits eligibility for pursuit of correspondence training programs be terminated effective October 1, 1983. The Administration estimates that fiscal year 1984 savings for enactment of this proposal would be $4.9 million in both budget authority and outlays. The Congressional Budget Office's estimate is $5 million. Similar legislative action was recommended for each of fiscal years 1977 through 1983.

(2) *Elimination of advance educational assistance payments.*—The Administration proposes that legislation be enacted to terminate advance payments of educational assistance for veterans enrolled in educational or rehabilitation programs, effective October 1, 1983. The Administration estimates that fiscal year 1984 savings for enactment of this proposal would be $15.6 million in both authority and outlays, the Congressional Budget Office's estimate is $14.2 million.

(b) Committee proposals

(1) *Cost-savings.*—The Committee does not specifically accept at this time the Administration's proposals concerning either correspondence training or advance payments, but does agree to report legislation yielding cost savings at least equal to the combined total savings reestimated by the Congressional Budget Office in connection with these two proposals—$20.1 million. Thus, the Committee recommends no reduction specifically in any mission two accounts at this time.

(2) *Education and employment assistance.*—The Committee recommends the addition of $150 million in both budget authority and outlays in fiscal year 1984 to enable the Committee to consider certain education and job training alternatives for fiscal year 1984. This amount would permit the Committee to consider two types of proposals, either singly or in combination, in this area: a 15-percent increase in rates of vocational rehabilitation subsistence and GI Bill education assistance allowances, effective April 1, 1984, as proposed in S. 9; or legislation now under development to establish a new emergency retraining and on-job training program or other employment initiatives.

C. Mission Three: Hospital and Medical Care (Subfunction 703)

1. PURPOSES

The VA's Department of Medicine and Surgery (DM&S) administers a national hospital and medical system for the purpose of providing "a complete medical and hospital service . . . for the medical care and treatment of veterans" (38 U.S.C. 4101(a)). In order to carry out this primary function more effectively, DM&S is charged by statute with two secondary missions: to assist in providing an adequate supply of health manpower to the Nation through the development of education and training programs (section 4101(b)); and to carry out programs in biomedical and health-care research to contribute to the Nation's knowledge about disease and disability (section 4101(c)). The VA health-care system, then, is more than a provider of health care. It is an integrated national system of teaching hospitals, general and specialty clinics, research centers, nursing homes, and other facilities providing a broad range of inpatient and outpatient health-care services to the Nation's 28.5 million veterans.

Moreover, the VA hospital and medical system is the first backup to the relatively meager medical resources available to the Department of Defense in the event of war, and represents a vital link in the military preparedness of our Nation, a fact clearly recognized in Defense Department contingency planning, and by Public Law 97-174, the Veterans' Administration and Department of Defense Health Resources Sharing and Emergency Operations Act.

The VA provides health-care services through 172 hospitals, 226 outpatient clinics, 98 nursing homes, and 15 domiciliary facilities. In certain circumstances, the VA contracts for care where VA facilities are unavailable. The VA also assists in the construction, maintenance and operation of certain State veterans' facilities.

2. ESTIMATED COST OF PROGRAMS AS CURRENTLY AUTHORIZED

(a) Administration budget requests

The Administration's fiscal year 1984 request for the medical care account is $8.079 billion in budget authority and $7.981 billion in outlays. This represents an increase of $383 million in budget

authority and $417 million in outlays over fiscal year 1983 levels. Average employment would increase by 2,306 FTEE to 190,544 FTEE.

The Administration's request for the Medical Administration and Miscellaneous Operating Expenses (MAMOE) account is $66.5 million in budget authority and $68.7 million in outlays in fiscal year 1984, an increase of $10 million in budget authority and $6.3 million in outlays over fiscal year 1983. Average employment would decrease by 19 FTEE to 856 FTEE.

In medical and prosthetic research, the Administration has requested $156 million in budget authority and $153 million in outlays. an increase of $1.4 million in budget authority over, and a decrease of $1.4 million in outlays from, fiscal year 1983 levels. Average employment would decrease by 170 FTEE in fiscal year 1984 to a level of 4,215 FTEE.

The Administration's request for the major construction account in fiscal year 1984 is $674.4 million in budget authority and $535.8 million in outlays. In the minor construction account, the Administration has requested $193.8 million in budget authority and $137.8 million in outlays. The requested total budget authority, $868 million, represents an increase of $319 million over fiscal year 1983 levels.

The request for grants for construction of State extended-care facilities is $18 million in budget authority, the same as in fiscal year 1983, and $14.772 million in outlays, a decrease of $926,000 from the fiscal year 1983 outlay level. In the grants to the Republic of the Philippines, the Administration's request amounts to $500,000 in budget authority, the same as in fiscal year 1983, and the same in outlays, a decrease in outlays of $572,000 from fiscal year 1983.

(b) Committee recommendations

General.—The Committee is, in general, supportive of the Administration's request for funding of VA health programs as adequate and prudent. The increases proposed for almost every account reflect a realistic allowance for requirements, such as increases in supply and personnel costs, which cannot be avoided in the delivery of quality care. Although $65 million of the 1983 pay increase and related requirements for the VA's Department of Medicine and Surgery employees must be absorbed by the Department, the Committee does not believe that this level of absorption is unreasonable or that it will interfere significantly with VA health-care program operations.

The Committee specifically notes with approval the proposals to expand the Geriatric Research and Education Clinical Centers (GRECC) program through the addition of a new center; to establish two new spinal cord injury home-care units; to continue the decentralization of automated data processing in VA medical centers; to provide realistic staffing levels for the activation of new facilities; and to continue to convert VA hospital beds to the unit-dose method of dispensing medications. In the latter regard, however, the Committee notes that, according to the Chief Medical Director's response to a question submitted at the Committee's February 16

hearing, the $4,948,000 and 190 FTEE's included in the Administration's budget for unit-dose conversion purposes would be sufficient for the conversion of only 5,500 beds to the unit-dose system, not the 12,342 beds claimed in the budget documents.

The Committee remains concerned that the VA has not developed a comprehensive, long-range plan with objective criteria for allocating resources to maintain its capital investment. The Committee notes with interest the request for funds for a one-time survey to assess the physical condition of all VA medical centers in order to help in establishing construction priorities.

Medical and Prosthetic Research Account.—The area of the President's fiscal year 1984 budget request for mission three which causes the greatest concern for the Committee is the medical and prosthetic research account—both the total level requested for the account and the allocation of funds among the medical, rehabilitation, and health services research components of the account. The requested appropriation of $156.325 million includes $143.439 million for medical research, $9.322 million for rehabilitation research, and $3.564 million for health services research.

Compared with fiscal year 1983 appropriations—assuming enactment of the pay increase supplemental appropriation requested by the Administration for this account—the total requested increase is only $1.5 million, or 1 percent. This amount is substantially less than needed to keep pace with inflation and would result in a total 170-FTEE reduction in employment levels in VA research programs. The medical research component would be increased by only $2,387,000—1.6 percent—resulting in a 126-FTEE reduction; the rehabilitation research component would decrease by $679,000, resulting in a 32-FTEE reduction; and health services research would decline by $222,000 and 12 FTEE. In order to maintain the VA health research programs and FTEE at the programmatic levels supported by the Congress in fiscal year 1983, the Committee recommends that appropriations be increased for the medical and prosthetics research account by $5.769 million to maintain the current program level which has been estimated by the Administration at $162.094 million for fiscal year 1984. Within that level, the Committee recommends that rehabilitation research be allocated up to $10 million and health services research up to $4.5 million. These increases within the account should be made contingent upon DM&S developing and presenting to the Congress an acceptable plan for utilization of additional funding for these two programs. In recommending increases in these two programs, the Committee does not intend to diminish the importance of the VA's medical research activities, but rather to emphasize the Committee's strongly held view that the VA should place a high priority on prosthetics and other rehabilitation research that could benefit veterans who have experienced amputations, spinal cord injuries, and other severe disabilities, and that the VA should better support research efforts aimed at developing more cost-effective means of management and methods of furnishing health-care services.

The Committee recommends that this $5,769,000 increase be offset by a corresponding reduction in appropriations for the minor construction account in order to keep the overall mission three total within the amounts requested by the President. Furthermore,

the Committee plans to request the Rehabilitation Research and Development program and the Health Services Research program to report to it during the coming fiscal year on their progress in increasing productivity and improving defined goals and internal management.

(c) Personnel transfers

The Committee will be considering the provisions of S. 11, title IV of which would provide for the transfer of certain categories of VA health-care personnel currently employed under the general civil service personnel authority under title 5, United States Code, to the special DM&S personnel system under title 38, United States Code. According to the VA report recommending the transfer, the first full year's costs are estimated at $12.2 million. However, the transfer authority as proposed in S. 11 would not take effect until 180 days after the date of enactment and, assuming enactment sometime this summer, the fiscal year 1984 costs would thus be substantially less. The Committee has not yet taken a position on the merits of these provisions and does not consider it necessary to do so for purposes of its fiscal year 1984 recommendations because, even if the transfer provision is enacted, the VA may well be able to absorb the resulting costs.

(d) Adult day health care

The Committee will also be considering the provisions of S. 578, title I of which would authorize the Administrator to operate, on a pilot-program basis for fiscal years 1984 through 1987, a program of adult day health-care services at VA medical facilities. The cost of such a pilot program has not yet been determined, but title IV of S. 578 would impose certain restrictions on beneficiary travel payments under section 111 of title 38, United States Code, in order to achieve savings that would offset the title I costs. The Committee has not yet taken a position on S. 578, but notes that the bill in its present form is likely to have no significant net budget impact on funding for Function 700 or, specifically, for mission three.

D. Mission Four: Veterans' Housing
(Subfunction 704)

1. PURPOSES

The VA provides housing credit assistance to eligible veterans, active duty servicepersons and certain survivors. The program substitutes the guaranty of the Federal Government, up to a maximum of $27,500 in the case of a house or condominium, for the investment protection afforded by substantial downpayment and shorter terms of loans under conventional mortgages. In a similar fashion, the program also assists those eligible in financing the purchase of mobile homes. It is financed through the Loan Guaranty Revolving Fund. The Direct Loan Program, open only to severely disabled veterans needing to adapt a home, is financed through the Direct Loan Revolving Fund.

2. ESTIMATED COST OF PROGRAMS AS REQUESTED

During fiscal year 1983, it is estimated that 293,975 loans will be guaranteed, an increase of 190,536 over the totals in fiscal year 1982 (103,439). During fiscal year 1984, the Administration estimates that 309,975 loans, an increase of 16,000 over 1983, will be guaranteed. The Administration anticipates that 27 direct loans will be approved during fiscal year 1983 and a like number in fiscal year 1984. Outlays for the loan guaranty revolving fund are expected to increase $453 million over the fiscal year 1983 level, to approximately $261 million, due to fewer vendee loan sales resulting from the sale of all salable portfolio loans in 1983 and increased average amounts paid in real property acquisitions and claims. The Administration estimates that aggregate outlays for mission four will be $236 million in fiscal year 1984.

Effective October 1, 1982, Public Law 97-253 established a fee of one-half of one percent until September 30, 1985, on all loans guaranteed, insured or made by the Administrator, with an exemption for service-connected disabled veterans with disabilities rated 10 percent or more disabling. The VA estimates that the fees collected into the general Treasury in fiscal year 1983 will total approximately $82 million.

3. COMMITTEE COMMENTS

High interest rates and an economic recession have contributed to high levels of loan defaults in the past 2 years. As a result, the VA has a high inventory of acquired property. Maintaining such an inventory is expensive. The VA proposes to sell its total salable portfolio in fiscal year 1983 so their expenses for property management will not continue to be incurred.

The Committee regards proposed reductions in FTEE in this program area with some concern. Loan applications are expected by the VA to increase substantially as the result of declining interest rates and pent-up demand for housing. Thus, the Committee plans to monitor closely both the operations of the VA loan guaranty program and Congressional support of it through appropriations under the VA's general operating expenses account.

E. Mission Five: Other Veterans' Benefits and Services (Subfunction 705)

1. PURPOSES

The major account under mission five is the general operating expenses account (GOE) which funds the following: administration of nonmedical benefits through the Department of Veterans' Benefits, operation and maintenance of 140 national cemeteries by the National Cemetery System through the Department of Memorial Affairs, data processing and communications systems through the Office of Data Management and Telecommunications and top managerial direction and support through agency-level staff offices. In addition, subfunction 705 includes moneys for the American Battle Monuments Commission and certain other funds under the Committee's jurisdiction.

2. ESTIMATED COST OF PROGRAMS AS REQUESTED

The Administration's fiscal year 1984 request under existing legislation for mission five is $720 million in budget authority and $721 million in outlays.

3. PROPOSED CHANGES

The Administration's two recommended cost-savings measures for mission two (readjustment benefits) would have an impact on the GOE account in fiscal year 1984. The proposal to eliminate correspondence training for 22,220 trainees would result in a GOE personnel reduction of 18 FTEE and GOE cost savings of $340,000 in fiscal year 1984. The proposal to terminate advance payments of educational benefits would result in a projected cost savings of $553,000 in administrative expenses and a reduction of 14 FTEE.

4. COMMITTEE RECOMMENDATIONS

The Committee has not yet determined which legislative cost savings it will recommend; therefore, it cannot predict whether any administrative savings can be achieved in the GOE account. The Committee recommends appropriations at the level of the President's request for mission five, exclusive of the GOE account savings of $893,000 that would result from the enactment of the President's two legislative cost-savings proposals for mission two.

III. Unspecified Legislative Savings

The $20.1 million level of unspecified legislative savings agreed to by the Committee (in addition to savings that would result from a 6-month delay in the June 1983 VA pension increase) would be achieved through one or more of the items in the following recommended list or others that may be proposed: (1) terminating correspondence training as proposed by the Administration; (2) eliminating authority for the VA to make advance payments of educational benefits as proposed by the Administration; (3) eliminating the compensation "q award" now paid by virtue of a 1968 "grandfathering provision" (section 4(b) of Public Law 90–493), to veterans whose once-active tuberculosis disease had reached a condition of "complete arrest" by August 19, 1968; (4) restricting the availability of over-the-counter medications and medical supplies in connection with non-service-connected outpatient care along the lines recommended by this Committee in May 1979, in S. 1039, and passed by the Senate in June 1979, in H.R. 3892; and (5) eliminating the outpatient dental care eligibility that was provided by a 1979 amendment (section 102(b) of Public Law 96–22) to section 612 of title 38 to veterans whose 100-percent disability ratings are due to individual unemployability determinations.

The Committee notes that the bulk of the Administration's proposed cost savings, other than its pension cost-of-living increase delay proposal, would be achieved only in fiscal year 1984. This is because most of the "savings" that would result from its proposal to terminate the advance payment of GI Bill benefits are in the form of postponing benefit payments from one fiscal year to the next. Thus, after the first full fiscal year, 1984, that this provision

is in effect, it would achieve no savings and would entail some budget costs. In fact, the average annual savings that would result from the Administration's nonpension cost-savings proposals for fiscal years 1985 through 1988 are only $2.5 million, and the total for the four outyears is only $10 million.

By contrast, the Committee notes that if legislative measures were enacted that produce cost-savings approximating an average of $20 million per year in fiscal year 1984 and in each of the four outyears, the resulting savings would exceed the cost savings under the President's proposal by approximately $70 million through fiscal year 1988. In that event, the Committee believes that the additional savings should be available to offset the costs of high-priority needs of veterans and survivors that the Committee and the Congress identify.

IV. Shared Accounts

A. Accounts Shared With Committee on Labor and Human Resources

The Committee on Veterans' Affairs shares jurisdiction with the Committee on Labor and Human Resources over four accounts in Function 500 (Education, Training, Employment, and Social Services).

First, the Departmental Management "Salaries and Expenses" account includes funds for the activities of the Assistant Secretary of Labor for Veterans' Employment, who serves as the principal advisor to the Secretary of Labor with respect to veterans' employment issues. This account also includes funding for the Veterans' Employment Service (VES) which provides direction to State employment service operations with respect to veterans, including assessment, outreach, employability training, counseling, testing, job placement and followup. For fiscal year 1984, the President's budget proposes $9.6 million for these activities.

Second, the Employment and Training Administration's (ETA) "State Unemployment Insurance and Employment Service Operations" account provides funds for a nationwide network of local veterans' employment representatives (LVER's) who provide job development and placement assistance to veterans seeking employment. Funds are also provided under this account to administer the Disabled Veterans' Outreach Program (DVOP), transferred in 1983 from the Employment and Training Administration. A total of $108.8 million is estimated for these activities in fiscal year 1984: $62.6 million for DVOP and $42.6 million for LVER's.

The third account of shared jurisdiction is the "Salaries and Expenses" account for the Labor-Management Services Administration (LMSA), which includes funds for the administration of the veterans' reemployment rights program. These funds, estimated to be $2.6 million in fiscal year 1984, are used to provide assistance to veterans, reservists, and National Guardsmen on training duty in securing reinstatement with their preservice employers and other employment advantages to which they may be entitled, based on seniority accrued while in military service.

The fourth account is the Employment Standards Administration (ESA) account, "Salaries and Expenses", which contains funds for activities to eliminate discrimination in employment, including the administration by the Office of Federal Contract Compliance Programs of section 2012 of title 38, providing for affirmative action by Federal contractors and subcontractors to employ and advance in employment service-connected seriously disabled veterans and veterans of the Vietnam era. No specific level of funding for activities related to veterans is identified in the President's budget request under this account, as funds are included in funds for Federal contractor EEO standards enforcement.

Finally, the Committee notes a fifth account in which it has a substantial interest. Under the "Training and Employment Services" account, there is estimated to be made available $9.4 million in budget authority and approximately $5.8 million in outlays for implementation in fiscal year 1984 of title IV–C of the Job Partnership Training Act. Under this authority, the Assistant Secretary of Labor for Veterans' Employment is to conduct national programs to meet the employment-related needs of disabled, Vietnam era, and recently separated veterans.

The Committee accepts each of the five estimates discussed above.

B. Accounts Shared With Committee on Banking, Housing, and Urban Affairs

The Committee shares jurisdiction over the Participation Sales Fund account with the Committee on Banking, Housing, and Urban Affairs with regard to the use of the Fund for veterans' housing program purposes. The Participation Sales Fund, initiated in 1967 under the National Housing Act, was intended to facilitate the financing of mortgages and other loan obligations owned by Government agencies such as the VA and the Federal Housing Administration. However, Fund activity since 1968 has not been substantial. Under the authority provided by the National Housing Act, the various agencies pledge their loans in trust to the Fund, and interest-bearing participation certificates, collateralized by the interest and principal collections from assets, are sold to private investors. Revenues from the sale of such certificates are paid to the various agencies, which are also required to make up for any Fund insufficiencies either by appropriations or by unobligated balances.

Payments to the Fund for insufficiencies, which are primarily caused by the fact that the interest rates on the certificates are higher than on the underlying assets, represent an outlay for the agency involved. For fiscal year 1984, the VA's requirement for outlays from the general Treasury to cover Participation Sales Insufficiencies is estimated at $29.5 million. The Committee accepts that estimate.

ADDITIONAL VIEWS

ADDITIONAL VIEWS OF HON. ALAN K. SIMPSON, CHAIRMAN OF THE SENATE COMMITTEE ON VETERANS' AFFAIRS, EXCERPTS FROM COMMITTEE MARKUP, MARCH 1, 1983

Chairman SIMPSON. Thank you, Jennings. I listened with interest to my friend from California who spoke eloquently of the necessity for the additional $150 million and, yet, we have the already generous budget proposal of more than $25 billion. Anyone of us could agree that jobs and education are pretty timely things in this economy, but at this point with a budget that was considered to be quite adequate by all of us, or by many of us in Congress on both sides of the aisle in all of the veterans' organizations, I just want to share with you a couple of things as we think about the amendment and grapple with it.

We all think of the economy and jobs and education and the welfare of the Nation's veterans and we think too of the responsibility, the long term planning details. My principal concern is that I have not seen this proposal in detail, because in truth it is not yet in the type of form that we can pursue it. So I have difficulty there.

What is the method of expenditure? There will be many—and I am not saying this is a "quick" fix—but there will be many such quick fix proposals coming to us in Congress in these next months. I am very cognizant of the fact that no veterans' group has asked—no veterans' organization has asked—for additional funds in this budget. Not one letter has come to this committee asking for money for either an education rate increase or a new jobs bill at this time.

I do not think there is another member who is more concerned about unemployment and the need for quality education than Al Cranston and myself—throw us in there together. I am concerned about placing money in new programs without a great deal of careful planning and thought. We have not had any hearings. We have not had any requests for those. There are bills being worked up now by the Appropriations Committee, by Senator Quayle's subcommittee, which will provide jobs for individuals, including veterans, to be effective in fiscal year 1983. And, of course, there exists the Jobs Training Partnership Act that goes into effect in fiscal year 1984 and each one of you joined me in that amendment to that bill which was adopted, which will provide a set-aside of over $9 million for veterans' training in the Department of Labor.

I am fully aware that it does not answer all of the questions and certainly does not provide all of the jobs possible, but I have these reservations about placing $150 million into the VA to provide a

function which rightly, I think, belongs to the Department of Labor.

We previously separated out that function. We have an assistant secretary now to manage employment and training programs by allowing retraining through payments to employers and OJT apprenticeships. It seems now that we are giving the VA the opportunity to take on a new level of importance in labor employment and perhaps even overshadow the role which we hope to have given to the DOL. That is troublesome.

So I understand the reasoning. I understand the compassion that generates the feelings and the amendments and the legislation from my friend from California, but this one I think needs some additional effort. I guess I am uncomfortable because I do not feel I have personally enough information concerning it. I wonder if it is appropriate to put it in the VA? I wonder if there are existing programs where we can put it, that we can expand?

I am not supportive of paying employers to train veterans when maybe when the subsidy is over they no longer hire them. I think that would be a travesty for us to perform. I would rather provide for the hiring of veterans directly, by looking into ways to pursue and provide long term incentives to employers like tax incentives, more certain employment, and things we have talked about before.

That is an area where I think extensive hearings are required if we are to do our work properly. I guess the bottom line is that there are also political realities of this amendment. It is a fine idea. The details are meddlesome. I would support a type of situation like this fully, if I could be absolutely certain of what it was that was being presented to us.

I can commit this much. I am willing to work on a jobs bill that would be appropriate. If that appears to be in the cards, we would see if it belongs in the VA budget and if it does, we might want to work an offset and we might want to consider things. I do not know what we might do.

But the other option which you wish to have open, Al, is that of providing a GI Bill rate increase of 15 percent as you suggest, to be effective April 1, 1984. I have stated that I am personally committed to supporting a GI Bill rate increase in fiscal year 1985 and I will do so right here from this very seat next year.

However, as I said before, I think this budget is very generous and, again, I reiterate, we have not received any kind of swelling proportion of constitutency request for this kind of thing. Well, I rambled a bit—to look at an issue of this magnitude. I also know full well too that I do not choose to see my colleagues on either side of the aisle who might be resistant to this amendment, lead themselves over the cliff one more time in the reality that the majority and minority members of the House of Representatives Veterans' Affairs Committee has already proposed something exactly of this magnitude. But I do have trouble with the issue in this short time to really consider it after we have already looked at a good budget—that perhaps we should have been grateful for that rather than perhaps wanting more.

I do not think in any way that the veterans have been reaching or overreaching—they have been more than extraordinary. They have been very patient, they have been very responsible, they have

been very "up front". Maybe it is we in politics sometimes who are not the responsible ones.

So I fall into that too. This is not a lecture. I think we are going to have to share the credit for this budget. We must share it with the veterans and with the veterans' service organizations. They have been very thoughtful and very understanding.

I would hope—and now you are going to wonder where I am and you will find out in about 30 seconds—I would like to eventually know, where are these employers?—which veterans are the most needy?—what jobs do they fill?—can some of these dislocated veterans actually qualify for the training programs some have in mind? We need answers to those questions, to do our research and hold hearings and I have committed to do that, I can tell you I will do it.

I guess it comes down to the fact that it seems to me that the best thing we can do for the veterans of this country is to restore a healthy economy. That is the very best benefit and effort we can perform for them. And so, again, it comes back to the task that I never sought and that is the one of chairing this rather fascinating committee and I can sense the locomotive perched at the edge of the tunnel as we consider this amendment. I do not choose to take some of the new members of this committee over the rocky road again, especially with the political realities of what has already occurred in the past. It is not fun. It is not even politic, but it might sometimes be right that we might do something.

So I will say this—and I wish that these comments of mine be appended to the comments and the views and estimates, because that is all we are furnishing—that it be forwarded with that, even though I shall vote in the affirmative at this time.

Senator RANDOLPH. You are going to support the amendment?

Chairman SIMPSON. I am going to do that. Then listen to this, you were puzzled, Jennings, were you not?

Senator RANDOLPH. Yes.

Chairman SIMPSON. I knew you would be. Then I want to say only this, because I am going to do this also when this gets to the floor. Do not be assured of that vote of mine on the floor, but my hunch is that we will have a whole new ball game by then, because the Budget Committee may be very unlikely to accept this.

We are going to pursue in depth this issue. We are going to have hearings and we are going to have testimony. We are going to have research. We are going to have the benefit of the Budget Committee's actions and activities and we will find out from both the majority and the minority there about their observations and, particularly, we are going to see what happens when presently there are ten other jobs bills that are in the United States Senate, and when they come up, we are going to see if we cannot splice in the appropriate programs to assist the veterans on a more precise basis, a targeted basis, using our new branch in the Department of Labor to see where we go with the jobs bill and we will try to be very responsible in that process.

I will work to do that and I will look forward to working with you to do that and pledge that scenario.

Senator CRANSTON. I deeply appreciate your wholehearted support on this.

Chairman SIMPSON. Thank you. Do you have anything more?

Senator CRANSTON. No, I just want to make it very plain that I understand your concerns. I know we do not have a detailed plan here. And all I want to do is try to keep options open and you are helping me do that and I appreciate it.

Senator RANDOLPH. If I may, we are not setting this in concrete.

Chairman SIMPSON. This is only "estimates and views".

Senator RANDOLPH. That is right. I think that is very important for us to realize that we are not binding really, as you have indicated. We are only thinking in terms of perhaps meeting the needs of the veterans and it could well be that this might be less—it might be even a challenge to give them more money in 6 months than we think today. I am not saying——

Chairman SIMPSON. There are just so many things that can come up with this job proposal bouncing around and it is a priority issue of both parties in this Congress. That is the issue of "jobs." And when we are doing that and addressing something like $5 or $6 billion—my hunch is that in that process we will find a slot.

Senator CRANSTON. Mr. Chairman, if you prefer a voice vote that is fine with me.

Chairman SIMPSON. First, let me inquire, do you have any comments?

Senator DECONCINI. No, sir, I am only here for the purpose of providing a quorum and listening to the great explanation I have just heard and I am overwhelmed.

Chairman SIMPSON. Did you hear all of that?

All right, I think we will have a rollcall vote, if the clerk will please call the roll.

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Additional Views of Senators Alan Cranston, Jennings Randolph, Spark M. Matsunaga, Dennis DeConcini, and George J. Mitchell

We are delighted that the Committee has agreed to our motion to include in its fiscal year 1984 recommendations to the Budget Committee for Function 700 (Veterans' Benefits and Services) $150 million above the President's fiscal year 1984 budget request in order to enable the Committee to consider certain education and job training alternatives.

This amount is sufficient to permit the Committee to consider a 15-percent increase in rates of GI Bill educational assistance allowances, effective April 1, 1984—a 6-month delay from the start of fiscal year 1984—as proposed by S. 9, which Senator Cranston introduced on January 25 with Senators DeConcini and Matsunaga as cosponsors. In the alternative, it would permit the Committee to consider legislation now under development that would establish a new emergency retraining and on-job training program. Of course, a combination of these two items could also be considered.

We believe it is essential that the Committee have the latitude to consider these important items later this year—during this time of more-than-10.4-percent unemployment.

GI Bill Rate Increase

With respect to the GI Bill increase, the last time that GI Bill benefits were increased was the two-step, 10-percent increase made by Public Law 96-466 in 1980. A 5-percent increase took effect on October 1, 1980, and the second 5-percent increase on January 1, 1981.

Since that time, increases in the cost-of-living have substantially undercut the value of the GI Bill dollar in terms of subsistence assistance. In terms of educational assistance, increases in the costs of education have even more substantially eroded the GI Bill dollar's value.

Increases in the CPI.—The increase in the CPI from October 1980 through December 1982 has been 15.2 percent; since January 1981, the increase has been 12.2 percent. Based on economic projections of increases in the CPI through the first quarter of 1984—after which it is proposed that the increased GI Bill rates would be effective—the CPI will have risen by more than 25 percent since the last increase was enacted.

Increases in the Cost of Education.—Based on figures developed by the College Scholarship Service (of the College Board), increases in the cost of education have outpaced increases in the cost of living generally. For example, in the case of total college costs at a 4-year private institution, there has been an increase of 22.9 percent in the three school years since the time the last GI Bill rate

increase was enacted (school year 1980–81 to school year 1982–83). In 4-year public institutions, the increase has been even greater over that same period of time—28.7 percent. Based on a survey prepared for the *Chronicle of Higher Education*, these costs are expected to climb by an additional 5.9 percent by the school year 1983–84, representing a total 36.3-percent increase since the last GI Bill rate increase.

Further, the 1980 increase of 10 percent was itself most inadequate to cover the 3-year 37.6-percent CPI increase since the previous increase in 1977.

We believe that these data provide ample support for our proposal to provide a 15-percent increase in these benefits. It would be only about half of what would be needed to provide an increase that fully reflected increases in the cost of living and the cost of education.

We believe also that action to shore up the GI Bill dollar's adequacy should be taken this year. About 85 percent (682,100 individuals) of those now enrolled in training and receiving GI Bill assistance from the VA are veterans of the Vietnam era. Delaying a GI Bill increase for all of fiscal year 1984 would mean that more than 600,000 potential GI Bill eligibles—more than 150,000 of whom actually had service in the Vietnam theatre—would, by virtue of the expiration of their delimiting periods, lose an opportunity to use their remaining GI Bill benefits at rates that afford a measure of assistance that has kept pace with increased education and living costs.

In addition, some of those veterans enrolled in education programs are those very unemployed, underemployed, unskilled, or educationally disadvantaged veterans on whose behalf the 97th Congress enacted the so-called "targeted delimiting date" extension. Most of these veterans are in their early- to mid-thirties and have growing families to support. Adequate levels of assistance are a prerequisite to their participation in training. Failing to insure that the rates of educational assistance these veterans receive while training are sufficient could effectively preclude many of them from taking advantage of this last chance to acquire marketable job skills.

The following are examples of those for whom a GI Bill rate increase would be critical in helping them pursue their career goals:

> A former marine who served two tours of duty with service in Vietnam and was discharged in 1977 is now 33 years of age and has a working wife and three children. He has only a high-school diploma and works as a security guard, but he wants to go to school to become a math or science teacher. In the present very tight job market, he has virtually no prospect for part-time employment that would permit him to attend school on a full-time basis to attain that goal within his delimiting period. If he could get a job that would enable him to attend school on a part-time basis, it would still not permit him to obtain his degree prior to the expiration of his delimiting period.
>
> A former Army private who served in Vietnam was discharged in 1972. He has never held a substantial job since

his return from the military, but has drifted from place to place and low-wage job to low-wage job. Last year, he finally sought assistance from a Vet Center and now wants to go back and participate in a vocational training program to become a computer repairman under the targeted delimiting date extension authority. However, in order to do so, he needs to supplement his meager earnings so that he can continue to support his children.

A female veteran—an Army nurse (with an AA degree) in Vietnam and later in the States—who was discharged in 1978 is now divorced and has sole custody of two small children. She works as a night nurse in a large city hospital, but wants to go back to school on a part-time basis during the day to get her BA degree and to improve her career prospects. Since her children are now in school, she believes she can finally start to use her GI Bill entitlement, but her decision on whether to go to school will depend on the level of assistance.

The Committee's recommendation, if approved, would mean that the opportunity to consider a GI Bill rate increase this year will not be foreclosed.

Veterans' Job and Retraining Legislation

The additional $150 million add-on would also permit the Committee to consider legislation now under development to establish an emergency job retraining and on-job training program for veterans. It is anticipated that this program would have two focuses: It would provide assistance to Vietnam-era veterans who have been unemployed for long periods of time (probably 15 out of 20 consecutive weeks). Payments, to cover the extraordinary costs of training by employers, would be made in connection with their placement in newly certified OJT slots. It would also provide for retraining payments to veterans whose eligibility for Korean conflict, post-Korean conflict, and Vietnam-era GI Bill assistance has expired and who were certified as having job skills that are outdated by advances in technology or that are no longer needed as a result of structural changes in the economy. These veterans would then pursue necessary retraining in critical skill areas (such as computers, math, science, robotics, etc.) in order to obtain and retain employment in today's changing labor market. It is contemplated that there would be a limited delimiting period similar to that in effect for the targeted delimiting date-extension in current law. The program would be administered through a coordinated certification, promotion, and outreach effort by the VA and the Department of Labor's Veterans' Employment Service, perhaps by tapping into some of the funds ($9.3 million in fiscal year 1984) made available to the Assistant Secretary of Labor for Veterans' Employment pursuant to title IV–C of the Job Partnership Training Act.

With Congress developing a wide variety of emergency jobs measures to cope with the desperate unemployment situation throughout our Nation, we believe that the Veterans' Affairs Committee would be derelict in its duty if we did not give close and careful

consideration to the need for providing assistance to unemployed and underemployed veterans.

We are very concerned about the alarmingly high rates of unemployment among Vietnam-era veterans and believe that the problem requires a special response. While unemployment among all Americans was 10.4 percent in January, the rate among Vietnam-era veterans age 25 and over was 11.4 percent. For Vietnam-era veterans ages 25 to 29, the rate of unemployment among similarly aged nonveterans—21.8 percent as compared to 13.7 percent.

We are very pleased that our Committee has unanimously approved our recommendation to add this $150 million to its fiscal year 1984 budget recommendations, and we strongly urge our colleagues on the Budget Committee and in the Senate to approve this and the other components of our Committee's recommendations.

APPENDIX

Appendix to Senate Committee on Veterans' Affairs March 1, 1983, Report of Budget Views and Estimates for Fiscal Year 1984

SENATE COMMITTEE ON VETERANS' AFFAIRS STAFF ESTIMATES OF FUNCTION 700 FOR FISCAL YEARS 1985 THROUGH 1988

In a February 15, 1983, letter, the Chairman and Ranking Minority Member of the Senate Budget Committee requested the Veterans' Affairs Committee to provide certain information on directions beyond fiscal year 1984 of the programs within the jurisdiction of the Veterans' Affairs Committee. Thus, the Committee has directed its majority and minority staff to prepare and submit, as an attachment to that report, staff estimates of cost projections for Function 700 (Veterans' Benefits and Services) for fiscal years 1985 through 1988. Those cost projections and the major assumptions on which they are based appear below.

Before stating those projections and assumptions, however, the Committee staff would like to emphasize that it has no way of determining with any accuracy the legislative initiatives that might be proposed and enacted during the 4 years in question, that at least $20.1 million of the Committee's proposed legislative savings for fiscal year 1984 are as yet unspecified, that the Administration's current long-range plans for the construction of health-care facilities and for health-care workloads appear to be very tentative, and that it is always extremely difficult to make realistic assessments of caseloads in the GI Bill and pension programs for even a 1-year period. Therefore, projections of the costs of readjustment and pension benefits over a 5-year period must be viewed as highly tenuous.

With those reservations, projections have been made primarily on the basis of the following assumptions: first, there will be no major conflicts involving our Armed Forces during the next 5 years; second, the legislative proposals discussed in the Committee's report will be acted upon in the manner reflected in tables 1 and 2 of that report; third, appropriations for fiscal year 1984 will be provided as recommended in the report; fourth, compensation benefits, even if delayed by 6 months in fiscal year 1984, will be increased effective April 1 of each subsequent fiscal year by amounts consistent with increases in the Consumer Price Index; fifth, it is impossible to determine with any precision the costs of new GI Bill legislation that the Congress may enact, and it is unlikely that any such legislation would entail substantial VA expenditures (since the VA's role would probably be administrative only, with the Department of Defense providing the funding for the benefits payments); and sixth, the VA will expand, replace, and modernize its medical and other facilities at a pace enabling it to

correct existing deficiencies, to replace or modernize outmoded facilities, and to stay abreast of technological developments.

FUNCTION 700—VETERANS' BENEFITS AND SERVICES

[In billions of dollars; fiscal years]

Mission	1985	1986	1987	1988
Budget authority:				
Mission 1—Income security for veterans [1]	15.0	15.2	15.5	15.6
Mission 2—Veterans' education, training, and rehabilitation [2]	1.4	1.2	1.0	9
Mission 3—Hospital and medical care for veterans [3]	9.6	10.0	10.4	10.9
Mission 4—Veterans' Housing [4]	−.1	.0	.0	.0
Mission 5—Other benefits and services [3]	.7	.7	.8	.8
Total, Function 700 [5]	26.7	27.2	27.7	28.1
Outlays:				
Mission 1—Income security for veterans [1]	14.7	15.0	15.2	15.3
Mission 2—Veterans' education, training, and rehabilitation [2]	1.4	1.2	1.0	8
Mission 3—Hospital and medical care for veterans [3]	9.3	9.7	10.1	10.4
Mission 4—Veterans' Housing [4]	.1	.1	−.1	.1
Mission 5—Other benefits and services [3]	.8	.7	.8	.8
Total, Function 700 [5]	26.3	26.6	27.1	27.5

[1] Based on CBO projections for current law, with annual compensation cost-of-living increases, effective April 1 of each year.
[2] Based on CBO projections for current law, plus the costs of enactment prior to fiscal year 1985 of legislation providing for a 15% rate increase in the current GI Bill.
[3] Source: Veterans' Administration—1984 Congressional Budget (23–3; 23–4)
[4] CBO projections for current law (including receipts of VA loan guaranty user fees).
[5] Totals may vary due to rounding.

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